

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 5, 2014

Rick Havenstrite Desert Hawk Gold Corporation 1290 Holcomb Avenue Reno, Nevada 89502

Subject: <u>Amendment of Notice of Intention to Commence Large Mining Operations and Reclamation Surety, Desert Hawk Gold Corporation, Kiewit Mine, M/045/0078, Tooele County, Utah</u>

Dear Mr. Havenstrite:

The Division of Oil, Gas and Mining approves the amendment on February 20, 2014, to change the road widths at the Kiewit mine. The amendment consists of two modified figures, 5 and 19. A copy of the entire Notice of Intention to Commence Large Mining Operations (Notice), stamped approved, is enclosed for your records.

The approval of the amendment does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations.

The Division reiterates the conditions included in the approval letter dated February 21, 2014:

- 1. Mining at the Clifton Shears will not exceed 20 feet in depth until the operator has completed additional rock characterization.
- 2. No mining may be done at the Yellow Hammer until the operator has completed rock characterization.
- 3. Mining at the Kiewit will include rock characterization as committed to in the NOI.
- 4. Backfilling and grading reclamation bond monies will not be released until the heap leach draw down has been completed.

The Division and Desert Hawk Gold have agreed that inconsistencies exist in the Notice and that any inconsistencies that impact regulatory authority decisions will be decided by the Division. The following additions and corrections are needed:

Page 2 of 2 Rick Havenstrite M/045/0078 March 5, 2014

- a) Submit the Tooele County Conditional use permit.
- b) Submit a new signed page 24 of the Ground Water Discharge permit.
- c) Throughout the appendices, Figure 15 is repeated, but there are inconsistencies with the approved Figure 15 submitted on February 3, 2014. Please replace the outdated Figure 15 with the updated Figure 15 dated February 3, 1014.

Please keep your plan current by submitting changes using Form MR-REV-att, which is located on the Division's web site at ogm.utah.gov.

All future correspondence should reference M/045/0078. Thank you for your patience in finalizing this permitting action. Please call Leslie Heppler at 801-538-5257 if you have any questions in this regard.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB: lah: eb

Enclosure: Notice of Intention

cc: Stephen Allen, Salt Lake BLM (SAllen@blm.gov)

Wendy Shubert, Tooele County (wshubert@co.tooele.ut.us)